

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ADJUSTMENT OF RATES OF	)	CASE NO.
AUXIER ROAD GAS COMPANY, INC.	)	2004-00205

ORDER

On April 10, 1991, in Case Nos. 10288-D and 10288-E, the Commission approved the Gas Cost Adjustment (“GCA”) Clause of Auxier Road Gas Company, Inc. (“Auxier”) allowing for the quarterly adjustment of its rates.<sup>1</sup>

On June 1, 2004, Auxier filed its proposed GCA to be effective July 1, 2004.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Auxier’s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Auxier’s Expected Gas Cost (“EGC”) is \$6.7997 per Mcf, 9.69 cents per Mcf less than the prior EGC of \$6.8966.
3. Auxier’s notice sets out no current refund adjustment.
4. Auxier’s notice sets out a current quarter actual adjustment (“AA”) of 38.78 cents per Mcf. Auxier’s notice includes a total AA of (84.45) cents per Mcf, a decrease of 19.66 cents per Mcf from the previous total AA.

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<sup>1</sup> Case No. 10288-D and 10288-E, Notice of Purchased Gas Adjustment Filing of Auxier Road Gas Company, Inc., Order dated April 10, 1991.

5. Auxier's notice sets out a current quarter balance adjustment ("BA") of 10.64 cents per Mcf. Auxier's notice sets out a total BA of 31.96 cents per Mcf, which is an increase of 6.74 cents per Mcf from the previous total BA.

6. Auxier's gas cost recovery rate is \$6.2748 per Mcf, which is 22.61 cents less than the previous rate of \$6.5009 per Mcf.

7. The rates in the Appendix to this Order are fair, just and reasonable, and should be approved for billing for service rendered by Auxier on and after July 1, 2004.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after July 1, 2004.

2. Within 20 days of the date of this Order, Auxier shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 25<sup>th</sup> day of June, 2004.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end, positioned above a solid horizontal line.

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2004-00205 DATED JUNE 25, 2004

The following rates and charges are prescribed for the customers served by Auxier Road Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain in effect under authority of this Commission prior to the effective date of this Order.

RATES:

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$5.11	\$6.2748	\$11.3848
All Over 1 Mcf	\$ 4.2599	\$6.2748	\$10.5347